

CHICAGO AND



TRANSPORTATION COMPANY

May 9, 1977

BERNARD J. ALLEN  
DIANE KOHLER-RAUSCH  
JOAN A. SCHRAMM  
ASSISTANT SECRETARIES

RECORDATION NO. 9921 Filed & Recorded

DIRECT DIAL NUMBER  
312/454-6534

BY MESSENGER

Interstate Commerce Commission  
Washington, D. C. 20423  
Attention: Robert L. Oswald, Secretary

MAY 11 1977 - 8 15 PM

INTERSTATE COMMERCE COMMISSION

File No.:  
S.F. 554

Gentlemen:

Pursuant to Section 20c of the Interstate Commerce Act, as amended, enclosed for recordation are executed Counterpart Nos. 1 to 12, inclusive of Chicago and North Western Transportation Company Equipment Trust No. 1 of 1977 dated as of May 1, 1977.

The names and addresses of the parties to the agreement are:

Trustee

The First National Bank of Chicago  
Corporate Trust Administration  
P. O. Box A  
Chicago, Illinois 60690

Guarantor

Chicago and North Western Transportation Company  
400 West Madison Street  
Chicago, Illinois 60606

Railroad equipment included under this Trust is described as follows:

<u>No. of Units</u>	<u>Description</u>	<u>C&amp;NW Road Numbers</u>
194	70-ton 50'6" Box Cars (Berwick Forge and Fabricating Co., a division of Whittaker Corp., P. O. Box 188, Berwick, Pa. 18603)	155600 - 155793

Please return to bearer Counterpart Nos. 1 to 11, inclusive, of the document bearing your recordation data, and retain Counterpart No. 12 for your files. Our check for \$50.00 is enclosed for your filing fee.

Very truly yours,

*Diane Kohler-Rausch*  
Diane Kohler-Rausch  
Assistant Secretary

dk:db

cc: Mr. A. R. Menard  
The First National Bank of  
Chicago  
Mr. Costa Constantine  
Cravath, Swaine & Moore, NY

7-131A106  
50  
J. M. Butler  
R. L. Schardt  
M. W. Payette  
R. D. Smith

RECEIVED  
MAY 11 3 50 PM '77  
FEE OPERATION BR.  
I.C.C.

MAY 12 1977 -3 20 P.M.

INTERSTATE COMMERCE COMMISSION

PURCHASE ORDER ASSIGNMENT dated as of March 15, 1977, among SSI RAIL CORP. (hereinafter called the Assignor), FMC CORPORATION (hereinafter called the Manufacturer) and FIRST SECURITY STATE BANK, not in its individual capacity, but solely as Owner-Trustee (hereinafter called the Assignee), under a Trust Agreement dated as of the date hereof (hereinafter called the Trust Agreement), with THE WESTERN SAVING FUND SOCIETY OF PHILADELPHIA (hereinafter called the Owner).

WHEREAS the Assignor has entered into a certain letter agreement dated as of March 1, 1977 (hereinafter called the Manufacturing Agreement) with the Manufacturer, pursuant to which the Manufacturer has agreed to construct and deliver to the Assignor, and the Assignor has agreed to purchase and take delivery of, certain units of railroad equipment (hereinafter called the Equipment);

WHEREAS the Assignee has entered into a Participation Agreement (hereinafter called the Participation Agreement) dated as of March 15, 1977, among the Assignor, the Assignee, the Owner, ITEL Corporation (hereinafter called ITEL), and the Purchasers named therein (hereinafter called the Purchasers);

WHEREAS the Assignee has entered into an Equipment Trust Agreement (hereinafter called the Equipment Trust Agreement) dated as of March 15, 1977, with First Security Bank of Utah, National Association, as Trustee (hereinafter called the Trustee);

WHEREAS the Assignor has entered into a Lease of Railroad Equipment (hereinafter called the Lease) dated as of March 15, 1977, with the Assignee; and

WHEREAS the Assignee desires to purchase and take delivery of those units of Equipment described in Item 1 of Schedule A hereto, as are delivered and accepted pursuant to the terms hereof on or prior to October 31, 1977 (such units being hereinafter called the Assigned Equipment and such date being hereinafter called the Cutoff Date), and the Assignor agrees to assign its rights to purchase and take delivery of the Assigned Equipment to the Assignee.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the parties hereto hereby agree as follows:

1. The Assignor hereby assigns, transfers and sets over unto the Assignee, its successors and assigns:

(a) all the right, title and interest of the Assignor in and to the Assigned Equipment; and

(b) all the right, title and interest of the Assignor in and to the Manufacturing Agreement, in so far as it relates to the Assigned Equipment;

\* provided, however, that the Assignor reserves its rights against the Manufacturer with respect to any warranties of the Manufacturer and any agreements of the Manufacturer to indemnify the Assignor against any losses.

2. The Assignee accepts the assignments herein contained, and assumes the obligations of the Assignor under the Manufacturing Agreement to purchase the Assigned Equipment and agrees to pay the Purchase Price (as hereinafter defined) of the Assigned Equipment as provided in the Equipment Trust Agreement, but the Assignee assumes no other duties or obligations of the Assignor under the Manufacturing Agreement whatsoever; provided, however, that the Assignor shall remain liable to the Manufacturer in respect of its duties and obligations (except as herein assumed by the Assignee) in accordance with the Manufacturing Agreement; provided, further, however, that the Manufacturer shall not deliver any unit of the Assigned Equipment hereunder subsequent to, and the Assignee and the Trustee shall have no obligation to purchase and pay for any unit of the Assigned Equipment delivered subsequent to, receipt of a written notice from the Assignor, the Assignee, the Trustee, any Purchaser or the Owner notifying the Manufacturer of (i) the commencement of any proceedings specified in clause (d) or (e) of Section 5.01 of the Equipment Trust Agreement, (ii) the occurrence of any Event of Default as described in Section 5.01 of the Equipment Trust Agreement or § 10 of the Lease, or event which with lapse of time and/or demand, could constitute such Event of Default, (iii) the material falseness of any of the representations and warranties of the Assignor and/or ITEL made in Paragraph 3 of the Participation Agreement at and as of the time such representations and warranties were so made or (iv) the fact that any of the

conditions contained in Paragraph 8 of the Participation Agreement have not been met or the conditions contained in Paragraph 9 of the Participation Agreement have not been met or waived. In addition, the Manufacturer shall not invoice any unit of the Assigned Equipment hereunder delivered subsequent to, and the Assignee and the Trustee shall have no obligation to purchase and pay for any unit of Assigned Equipment delivered subsequent to, (i) the time at which the aggregate Purchase Price of the Assigned Equipment delivered hereunder exceeds the maximum purchase price set forth in Item 2 of Schedule A hereto or (ii) the Cutoff Date. The Assignor affirms hereunder that it shall be solely obligated to purchase and pay for pursuant to the Manufacturing Agreement any unit of the Equipment which is excluded from this Assignment because (A) it is delivered after the Manufacturer shall have received any notice described in the second proviso to the first sentence of this Paragraph 2 or (B) such maximum purchase price is exceeded or (C) such unit is delivered after the Cutoff Date, but the Assignor shall have no obligation to the Manufacturer to purchase, or make payment under the Manufacturing Agreement in respect of, any Assigned Equipment which the Assignee is obligated to purchase hereunder. The Manufacturer hereby consents to the terms of this Assignment and accepts all its duties hereunder, including, without limitation, its duties as to termination of deliveries. The Manufacturer also agrees to the limitation of the obligations of the Assignee and the Trustee to purchase and pay for the Assigned Equipment as set forth in this Assignment and Article Three of the Equipment Trust Agreement.

The term Purchase Price as used herein means the base price per unit of the Assigned Equipment set forth in Item 1 of Schedule A hereto as increased or decreased by agreement between the Manufacturer and the Assignor, plus freight and storage charges, if any, and any applicable sales taxes, all as set forth in the invoice or invoices of the Manufacturer for the Assigned Equipment, which invoice or invoices shall have endorsed thereon the certification of the Assignor as to the correctness of the prices stated therein.

3. The Assignor represents and warrants that:

(a) the Manufacturing Agreement is in full force and effect and is enforceable in accordance with its

terms, and neither the Manufacturer nor the Assignor is in default thereunder;

(b) insofar as it relates to the Assigned Equipment, the Assignor is the lawful owner of its rights under the Manufacturing Agreement, free from all claims (other than any rights which any railroad company may have to lease such Assigned Equipment pursuant to a Sublease (as defined in the Lease)), liens, security interests and encumbrances, and the Assignor has the right to sell and assign the Manufacturing Agreement as set forth herein and the Assignor will warrant and defend this Assignment against the lawful claims and demands of all persons; and

(c) none of the units of the Assigned Equipment has been delivered by the Manufacturer and no payment has been made in respect thereof to the Manufacturer.

4. The units of Assigned Equipment shall be settled for pursuant to the terms hereof on the closing date specified in Item 1 of Annex A hereto or on such other later date or dates as shall be agreed to by the Manufacturer and the Assignee and as to which the Assignee and the Trustee shall have received five business days prior notice (each such date being hereinafter called a Closing Date) (the units of Equipment settled for on a Closing Date or the Second Closing Date (as hereinafter defined) being hereinafter called a Group); provided, however, that if any Purchaser shall have failed to purchase on or prior to a Closing Date the aggregate principal amount of Trust Certificates (as defined in the Equipment Trust Agreement) to be purchased by such Purchaser on or prior to such Closing Date pursuant to the Participation Agreement (and such aggregate principal amount of Trust Certificates which was not purchased by such Purchaser shall not have been purchased on or prior to such Closing Date by another Purchaser or a purchaser satisfactory to the Trustee), then (a) on such Closing Date units of the Assigned Equipment in the Group to be settled for on such Closing Date having an aggregate Purchase Price equal to the quotient of (i) the amount of Deposited Cash (as defined in the Equipment Trust Agreement) held by the Trustee on such date divided by (ii) 73.429% shall be settled for on such Closing Date and (b) the balance of such Group shall be settled for on a later date (herein called the Second Closing Date) not later than October 31, 1977, as may be desig-

nated by the Assignee and the Trustee to the Manufacturer on not less than five business days' prior written notice.

5. With respect to Equipment settled for as Assigned Equipment pursuant to the terms hereof, on each Closing Date and the Second Closing Date the Assignee shall pay or cause to be paid out of the proceeds of the sale of Trust Certificates and funds received from the Owner, to the Manufacturer the Purchase Price of the Assigned Equipment in such Group then being settled for, provided that there shall have been delivered to the Assignee and the Trustee, on or prior to such Closing Date or the Second Closing Date, as the case may be, the following documents in such number of counterparts or copies as may reasonably be requested in form and substance satisfactory to them:

(i) a certificate of an officer of the Manufacturer dated such Closing Date or the Second Closing Date, as the case may be, representing and warranting on behalf of the Manufacturer that (A) the Assigned Equipment described and specified therein by numbers has been delivered and accepted on or prior to such Closing Date or the Second Closing Date, as the case may be, and has been marked with the following legend:

"OWNED BY A BANK OR TRUST COMPANY UNDER A SECURITY AGREEMENT FILED UNDER THE INTERSTATE COMMERCE ACT, SECTION 20C"

or such other words as shall be approved by the Assignee and the Trustee and (B) such Assigned Equipment is new standard-gauge railroad equipment first put into service no earlier than the date of delivery and acceptance thereof by or on behalf of the Assignee;

(ii) a bill or bills of sale from the Manufacturer transferring all right, title and interest of the Manufacturer in and to such Assigned Equipment to the Assignee and the Trustee (the Trustee's interest being limited to security title under the Equipment Trust Agreement), warranting to the Trustee, the Owner, the Assignee and the Assignor that at the time of delivery of such Assigned Equipment to the Assignee, the Manufacturer had legal title to the Assigned Equipment described therein and good and lawful right to sell such Assigned Equipment and that title to such Assigned Equipment was, at the time of such delivery, free from

all claims, liens, security interests and other encumbrances of any nature except as created by the Manufacturing Agreement, the Equipment Trust Agreement and this Assignment and except for the rights of the Assignor under the Lease and the rights of the sublessee under any sublease covering such Assigned Equipment, and covenanting to defend the title to such Assigned Equipment against the demands of all persons whomsoever based on claims originating prior to the delivery of such Assigned Equipment by the Manufacturer under this Assignment;

(iii) an opinion of counsel for the Manufacturer to the effect that (A) the Manufacturer is a duly organized and existing corporation in good standing under the laws of the state of its incorporation, (B) this Assignment and the Manufacturing Agreement have been duly authorized, executed and delivered by the Manufacturer and, assuming the due authorization, execution and delivery by the other parties hereto and the other party thereto are legal and valid instruments binding upon and enforceable against the Manufacturer in accordance with their respective terms, (C) the units of the Assigned Equipment, at the time of delivery thereof, were free of all claims, liens, security interests and other encumbrances of any nature except as created by this Assignment and the Manufacturing Agreement, the Equipment Trust Agreement, the Lease and any sublease covering such units and (D) such bill or bills of sale have been duly authorized, executed and delivered by the Manufacturer and are valid and effective to transfer all right, title and interest of the Manufacturer in and to such Assigned Equipment, free of all claims, liens, security interests or other encumbrances of any nature of or arising from, through or under the Manufacturer, to the Assignee, subject to the security title of the Trustee under the Equipment Trust Agreement;

(iv) an invoice or invoices with respect to such Assigned Equipment from the Manufacturer to the Assignee describing the units of Assigned Equipment in such Group, having endorsed thereon the certification of the Assignor as to the correctness of the prices stated therein; and

(v) Certificates of Acceptance (as defined in the Lease) covering such Assigned Equipment.

Counsel may qualify its opinion specified above to the effect that any agreement is enforceable against the Manufacturer in accordance with its terms by a general reference to limitations as to enforceability imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally.

6. No variation of modification of the Manufacturing Agreement, except as herein provided, and no waiver of any of its provisions or conditions shall be valid with respect to any unit of the Assigned Equipment unless in writing and signed by a duly authorized signatory for the Assignee.

7. The Assignee appoints the Assignor its agent to inspect and accept delivery of the units of Assigned Equipment.

8. It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, undertakings and agreements herein made on the part of the Assignee are each and every one of them made and intended not as personal representations, undertakings and agreements by the Assignee, or for the purpose or with the intention of binding the Assignee personally but are made and intended for the purpose of binding only the Trust Estate (as such term is defined in the Trust Agreement) and this Agreement is executed and delivered by the Assignee solely in the exercise of the powers expressly conferred upon the Assignee as Owner-Trustee under the Trust Agreement; and that no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against the Assignee (except as provided in Section 4.01 of the Trust Agreement) or on account of any representation, undertaking or agreement of the Assignee, as Assignee (except as provided in Section 4.01 of the Trust Agreement) either expressed or implied, all such personal liability, if any, being expressly waived and released by the Manufacturer and by all persons claiming by, through or under the Manufacturer; provided, however, that the Manufacturer or any person claiming by, through or under the Manufacturer making claim hereunder, may look to said Trust Estate for satisfaction of the same.

9. The Manufacturer represents that it is not

entering into this Agreement, or into any other transaction contemplated hereby, directly or indirectly in connection with any arrangement or understanding in any way involving any employee benefit plan (other than a governmental plan) with respect to which it, the Owner, any Purchaser, the Assignor or the Assignee in its individual capacity is a party in interest, all within the meaning of the Employee Retirement Income Security Act of 1974.

10. This Assignment may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart. Although this Assignment is dated for convenience as of the date specified in the introductory paragraph of this Assignment, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed by their respective duly authorized officers, all as of the date first above written.

SSI RAIL CORP.,

by

  
Vice President

[Corporate Seal]

Attest:

  
Secretary

FMC CORPORATION,

by

\_\_\_\_\_  
Vice President

[Corporate Seal]

Attest:

\_\_\_\_\_  
Assistant Secretary

FIRST SECURITY STATE BANK,  
Not in its individual capacity,  
but solely as Owner-Trustee,

by

Frank L. Murphy  
Authorized Officer

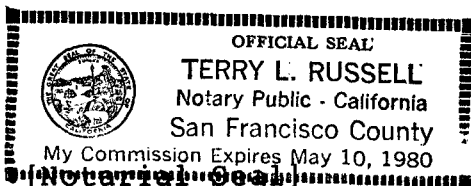
[Seal]

Attest:

Jay L. Barker  
Authorized Officer

STATE OF CALIFORNIA, )  
 ) SS.:  
COUNTY OF SAN FRANCISCO, )

On this 10<sup>th</sup> day of May 1977, before me personally appeared Donald H. Gleason, to me personally known, who, being by me duly sworn, says that he is a Vice-President of SSI RAIL CORP., that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Terry L. Russell  
Notary Public

My Commission Expires May 10, 1980

STATE OF ILLINOIS, )  
 ) SS.:  
COUNTY OF COOK, )

On this            day of May 1977, before me personally appeared           , to me personally known, who, being by me duly sworn, says that he is a Vice President of FMC CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

\_\_\_\_\_  
Notary Public

[Notarial Seal]

My Commission Expires

STATE OF UTAH,                   )  
  )   ss.:  
COUNTY OF SALT LAKE,        )

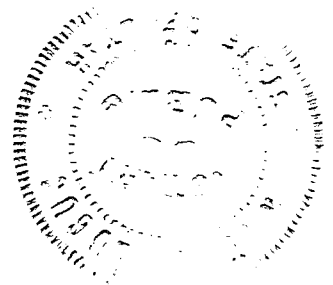
On this 11<sup>th</sup> day of May 1977, before me personally appeared Fred L. Murphy, to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of FIRST SECURITY STATE BANK, that one of the seals affixed to the foregoing instrument is the seal of said bank and that said instrument was signed and sealed on behalf of said bank by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said bank.

Kathy Lucas  
Notary Public

[Notarial Seal]

My Commission Expires

My Commission Expires April 14, 1981



SCHEDULE A  
to Purchase Order Assignment

ITEM 1: Assigned Equipment

<u>Type</u>	<u>Quantity</u>	<u>Car Numbers (incl.)</u>	<u>Unit Base Price</u>	<u>Total Base Price</u>	<u>Estimated Time of Delivery</u>	<u>Closing Date</u>
70 ton, 50'6" Boxcars with 10' sliding doors and 10" end-of- car cushioning AAR Mechanical Designation XM	100	PW 301-400	\$30,000	\$3,000,000	May 12, 1977	May 31, 1977

ITEM 2: Maximum Purchase Price: \$3,450,000

PURCHASE ORDER ASSIGNMENT dated as of March 15, 1977, among SSI RAIL CORP. (hereinafter called the Assignor), FMC CORPORATION (hereinafter called the Manufacturer) and FIRST SECURITY STATE BANK, not in its individual capacity, but solely as Owner-Trustee (hereinafter called the Assignee), under a Trust Agreement dated as of the date hereof (hereinafter called the Trust Agreement), with THE WESTERN SAVING FUND SOCIETY OF PHILADELPHIA (hereinafter called the Owner).

WHEREAS the Assignor has entered into a certain letter agreement dated as of March 1, 1977 (hereinafter called the Manufacturing Agreement) with the Manufacturer, pursuant to which the Manufacturer has agreed to construct and deliver to the Assignor, and the Assignor has agreed to purchase and take delivery of, certain units of railroad equipment (hereinafter called the Equipment);

WHEREAS the Assignee has entered into a Participation Agreement (hereinafter called the Participation Agreement) dated as of March 15, 1977, among the Assignor, the Assignee, the Owner, ITEL Corporation (hereinafter called ITEL), and the Purchasers named therein (hereinafter called the Purchasers);

WHEREAS the Assignee has entered into an Equipment Trust Agreement (hereinafter called the Equipment Trust Agreement) dated as of March 15, 1977, with First Security Bank of Utah, National Association, as Trustee (hereinafter called the Trustee);

WHEREAS the Assignor has entered into a Lease of Railroad Equipment (hereinafter called the Lease) dated as of March 15, 1977, with the Assignee; and

WHEREAS the Assignee desires to purchase and take delivery of those units of Equipment described in Item 1 of Schedule A hereto, as are delivered and accepted pursuant to the terms hereof on or prior to October 31, 1977 (such units being hereinafter called the Assigned Equipment and such date being hereinafter called the Cutoff Date), and the Assignor agrees to assign its rights to purchase and take delivery of the Assigned Equipment to the Assignee.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the parties hereto hereby agree as follows:

1. The Assignor hereby assigns, transfers and sets over unto the Assignee, its successors and assigns:

(a) all the right, title and interest of the Assignor in and to the Assigned Equipment; and

(b) all the right, title and interest of the Assignor in and to the Manufacturing Agreement, in so far as it relates to the Assigned Equipment;

provided, however, that the Assignor reserves its rights against the Manufacturer with respect to any warranties of the Manufacturer and any agreements of the Manufacturer to indemnify the Assignor against any losses.

2. The Assignee accepts the assignments herein contained, and assumes the obligations of the Assignor under the Manufacturing Agreement to purchase the Assigned Equipment and agrees to pay the Purchase Price (as hereinafter defined) of the Assigned Equipment as provided in the Equipment Trust Agreement, but the Assignee assumes no other duties or obligations of the Assignor under the Manufacturing Agreement whatsoever; provided, however, that the Assignor shall remain liable to the Manufacturer in respect of its duties and obligations (except as herein assumed by the Assignee) in accordance with the Manufacturing Agreement; provided, further, however, that the Manufacturer shall not deliver any unit of the Assigned Equipment hereunder subsequent to, and the Assignee and the Trustee shall have no obligation to purchase and pay for any unit of the Assigned Equipment delivered subsequent to, receipt of a written notice from the Assignor, the Assignee, the Trustee, any Purchaser or the Owner notifying the Manufacturer of (i) the commencement of any proceedings specified in clause (d) or (e) of Section 5.01 of the Equipment Trust Agreement, (ii) the occurrence of any Event of Default as described in Section 5.01 of the Equipment Trust Agreement or § 10 of the Lease, or event which with lapse of time and/or demand, could constitute such Event of Default, (iii) the material falseness of any of the representations and warranties of the Assignor and/or ITEL made in Paragraph 3 of the Participation Agreement at and as of the time such representations and warranties were so made or (iv) the fact that any of the

conditions contained in Paragraph 8 of the Participation Agreement have not been met or the conditions contained in Paragraph 9 of the Participation Agreement have not been met or waived. In addition, the Manufacturer shall not invoice any unit of the Assigned Equipment hereunder delivered subsequent to, and the Assignee and the Trustee shall have no obligation to purchase and pay for any unit of Assigned Equipment delivered subsequent to, (i) the time at which the aggregate Purchase Price of the Assigned Equipment delivered hereunder exceeds the maximum purchase price set forth in Item 2 of Schedule A hereto or (ii) the Cutoff Date. The Assignor affirms hereunder that it shall be solely obligated to purchase and pay for pursuant to the Manufacturing Agreement any unit of the Equipment which is excluded from this Assignment because (A) it is delivered after the Manufacturer shall have received any notice described in the second proviso to the first sentence of this Paragraph 2 or (B) such maximum purchase price is exceeded or (C) such unit is delivered after the Cutoff Date, but the Assignor shall have no obligation to the Manufacturer to purchase, or make payment under the Manufacturing Agreement in respect of, any Assigned Equipment which the Assignee is obligated to purchase hereunder. The Manufacturer hereby consents to the terms of this Assignment and accepts all its duties hereunder, including, without limitation, its duties as to termination of deliveries. The Manufacturer also agrees to the limitation of the obligations of the Assignee and the Trustee to purchase and pay for the Assigned Equipment as set forth in this Assignment and Article Three of the Equipment Trust Agreement.

The term Purchase Price as used herein means the base price per unit of the Assigned Equipment set forth in Item 1 of Schedule A hereto as increased or decreased by agreement between the Manufacturer and the Assignor, plus freight and storage charges, if any, and any applicable sales taxes, all as set forth in the invoice or invoices of the Manufacturer for the Assigned Equipment, which invoice or invoices shall have endorsed thereon the certification of the Assignor as to the correctness of the prices stated therein.

3. The Assignor represents and warrants that:

(a) the Manufacturing Agreement is in full force and effect and is enforceable in accordance with its

terms, and neither the Manufacturer nor the Assignor is in default thereunder;

(b) insofar as it relates to the Assigned Equipment, the Assignor is the lawful owner of its rights under the Manufacturing Agreement, free from all claims (other than any rights which any railroad company may have to lease such Assigned Equipment pursuant to a Sublease (as defined in the Lease)), liens, security interests and encumbrances, and the Assignor has the right to sell and assign the Manufacturing Agreement as set forth herein and the Assignor will warrant and defend this Assignment against the lawful claims and demands of all persons; and

(c) none of the units of the Assigned Equipment has been delivered by the Manufacturer and no payment has been made in respect thereof to the Manufacturer.

4. The units of Assigned Equipment shall be settled for pursuant to the terms hereof on the closing date specified in Item 1 of Annex A hereto or on such other later date or dates as shall be agreed to by the Manufacturer and the Assignee and as to which the Assignee and the Trustee shall have received five business days prior notice (each such date being hereinafter called a Closing Date) (the units of Equipment settled for on a Closing Date or the Second Closing Date (as hereinafter defined) being hereinafter called a Group); provided, however, that if any Purchaser shall have failed to purchase on or prior to a Closing Date the aggregate principal amount of Trust Certificates (as defined in the Equipment Trust Agreement) to be purchased by such Purchaser on or prior to such Closing Date pursuant to the Participation Agreement (and such aggregate principal amount of Trust Certificates which was not purchased by such Purchaser shall not have been purchased on or prior to such Closing Date by another Purchaser or a purchaser satisfactory to the Trustee), then (a) on such Closing Date units of the Assigned Equipment in the Group to be settled for on such Closing Date having an aggregate Purchase Price equal to the quotient of (i) the amount of Deposited Cash (as defined in the Equipment Trust Agreement) held by the Trustee on such date divided by (ii) 73.429% shall be settled for on such Closing Date and (b) the balance of such Group shall be settled for on a later date (herein called the Second Closing Date) not later than October 31, 1977, as may be desig-

nated by the Assignee and the Trustee to the Manufacturer on not less than five business days' prior written notice.

5. With respect to Equipment settled for as Assigned Equipment pursuant to the terms hereof, on each Closing Date and the Second Closing Date the Assignee shall pay or cause to be paid out of the proceeds of the sale of Trust Certificates and funds received from the Owner, to the Manufacturer the Purchase Price of the Assigned Equipment in such Group then being settled for, provided that there shall have been delivered to the Assignee and the Trustee, on or prior to such Closing Date or the Second Closing Date, as the case may be, the following documents in such number of counterparts or copies as may reasonably be requested in form and substance satisfactory to them:

(i) a certificate of an officer of the Manufacturer dated such Closing Date or the Second Closing Date, as the case may be, representing and warranting on behalf of the Manufacturer that (A) the Assigned Equipment described and specified therein by numbers has been delivered and accepted on or prior to such Closing Date or the Second Closing Date, as the case may be, and has been marked with the following legend:

"OWNED BY A BANK OR TRUST COMPANY UNDER A SECURITY AGREEMENT FILED UNDER THE INTERSTATE COMMERCE ACT, SECTION 20C"

or such other words as shall be approved by the Assignee and the Trustee and (B) such Assigned Equipment is new standard-gauge railroad equipment first put into service no earlier than the date of delivery and acceptance thereof by or on behalf of the Assignee;

(ii) a bill or bills of sale from the Manufacturer transferring all right, title and interest of the Manufacturer in and to such Assigned Equipment to the Assignee and the Trustee (the Trustee's interest being limited to security title under the Equipment Trust Agreement), warranting to the Trustee, the Owner, the Assignee and the Assignor that at the time of delivery of such Assigned Equipment to the Assignee, the Manufacturer had legal title to the Assigned Equipment described therein and good and lawful right to sell such Assigned Equipment and that title to such Assigned Equipment was, at the time of such delivery, free from

all claims, liens, security interests and other encumbrances of any nature except as created by the Manufacturing Agreement, the Equipment Trust Agreement and this Assignment and except for the rights of the Assignor under the Lease and the rights of the sublessee under any sublease covering such Assigned Equipment, and covenanting to defend the title to such Assigned Equipment against the demands of all persons whomsoever based on claims originating prior to the delivery of such Assigned Equipment by the Manufacturer under this Assignment;

(iii) an opinion of counsel for the Manufacturer to the effect that (A) the Manufacturer is a duly organized and existing corporation in good standing under the laws of the state of its incorporation, (B) this Assignment and the Manufacturing Agreement have been duly authorized, executed and delivered by the Manufacturer and, assuming the due authorization, execution and delivery by the other parties hereto and the other party thereto are legal and valid instruments binding upon and enforceable against the Manufacturer in accordance with their respective terms, (C) the units of the Assigned Equipment, at the time of delivery thereof, were free of all claims, liens, security interests and other encumbrances of any nature except as created by this Assignment and the Manufacturing Agreement, the Equipment Trust Agreement, the Lease and any sublease covering such units and (D) such bill or bills of sale have been duly authorized, executed and delivered by the Manufacturer and are valid and effective to transfer all right, title and interest of the Manufacturer in and to such Assigned Equipment, free of all claims, liens, security interests or other encumbrances of any nature of or arising from, through or under the Manufacturer, to the Assignee, subject to the security title of the Trustee under the Equipment Trust Agreement;

(iv) an invoice or invoices with respect to such Assigned Equipment from the Manufacturer to the Assignee describing the units of Assigned Equipment in such Group, having endorsed thereon the certification of the Assignor as to the correctness of the prices stated therein; and

(v) Certificates of Acceptance (as defined in the Lease) covering such Assigned Equipment.

Counsel may qualify its opinion specified above to the effect that any agreement is enforceable against the Manufacturer in accordance with its terms by a general reference to limitations as to enforceability imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally.

6. No variation of modification of the Manufacturing Agreement, except as herein provided, and no waiver of any of its provisions or conditions shall be valid with respect to any unit of the Assigned Equipment unless in writing and signed by a duly authorized signatory for the Assignee.

7. The Assignee appoints the Assignor its agent to inspect and accept delivery of the units of Assigned Equipment.

8. It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, undertakings and agreements herein made on the part of the Assignee are each and every one of them made and intended not as personal representations, undertakings and agreements by the Assignee, or for the purpose or with the intention of binding the Assignee personally but are made and intended for the purpose of binding only the Trust Estate (as such term is defined in the Trust Agreement) and this Agreement is executed and delivered by the Assignee solely in the exercise of the powers expressly conferred upon the Assignee as Owner-Trustee under the Trust Agreement; and that no personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against the Assignee (except as provided in Section 4.01 of the Trust Agreement) or on account of any representation, undertaking or agreement of the Assignee, as Assignee (except as provided in Section 4.01 of the Trust Agreement) either expressed or implied, all such personal liability, if any, being expressly waived and released by the Manufacturer and by all persons claiming by, through or under the Manufacturer; provided, however, that the Manufacturer or any person claiming by, through or under the Manufacturer making claim hereunder, may look to said Trust Estate for satisfaction of the same.

9. The Manufacturer represents that it is not

entering into this Agreement, or into any other transaction contemplated hereby, directly or indirectly in connection with any arrangement or understanding in any way involving any employee benefit plan (other than a governmental plan) with respect to which it, the Owner, any Purchaser, the Assignor or the Assignee in its individual capacity is a party in interest, all within the meaning of the Employee Retirement Income Security Act of 1974.

10. This Assignment may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart. Although this Assignment is dated for convenience as of the date specified in the introductory paragraph of this Assignment, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed by their respective duly authorized officers, all as of the date first above written.

SSI RAIL CORP.,

by

[Corporate Seal]

\_\_\_\_\_  
Vice President

Attest:

\_\_\_\_\_  
Secretary

FMC CORPORATION,

by

[Corporate Seal]

*Daniel C. Smith*  
\_\_\_\_\_  
Vice President

Attest:

*J. E. Housinger*  
\_\_\_\_\_  
Assistant Secretary

FIRST SECURITY STATE BANK,  
Not in its individual capacity,  
but solely as Owner-Trustee,

by

\_\_\_\_\_  
Authorized Officer

[Seal]

Attest:

\_\_\_\_\_  
Authorized Officer

STATE OF CALIFORNIA,                 )  
  )   ss.:  
COUNTY OF SAN FRANCISCO,         )

On this                    day of May 1977, before me personally appeared                    , to me personally known, who, being by me duly sworn, says that he is a Vice-President of SSI RAIL CORP., that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

[Notarial Seal]

## My Commission Expires

STATE OF ILLINOIS, )  
 ) ss.:  
COUNTY OF COOK, )

On this 10<sup>th</sup> day of May 1977, before me personally appeared **Daniel C. Smith**, to me personally known, who, being by me duly sworn, says that he is a Vice President of FMC CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

James A Broderick  
Notary Public

[Notarial Seal].

## My Commission Expires

City Commission Expires JANUARY 21, 1943

[illegible]

On this                    day of May 1977, before me personally appeared                    , to me personally known, who, being by me duly sworn, says that he is an Authorized Officer of FIRST SECURITY STATE BANK, that one of the seals affixed to the foregoing instrument is the seal of said bank and that said instrument was signed and sealed on behalf of said bank by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said bank.

Notary Public

[Notarial Seal]

## My Commission Expires

SCHEDULE A  
to Purchase Order Assignment

ITEM 1: Assigned Equipment

<u>Type</u>	<u>Quantity</u>	<u>Car Numbers (incl.)</u>	<u>Unit Base Price</u>	<u>Total Base Price</u>	<u>Estimated Time of Delivery</u>	<u>Closing Date</u>
70 ton, 50'6" Boxcars with 10' sliding doors and 10" end-of- car cushioning AAR Mechanical Designation XM	100	PW 301-400	\$30,000	\$3,000,000	May 12, 1977	May 31, 1977

ITEM 2: Maximum Purchase Price: \$3,450,000